

# LFD ANALYSIS SPENDING REDUCTIONS PROPOSAL FISCAL 2003

## **Part 3 - Expenditure Reduction Plan**

A Report Prepared for the  
**Legislative Finance Committee**

By the  
Legislative Fiscal Division

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***Legislative Fiscal Division***



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# Expenditure Reduction Plan

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# **INTRODUCTION TO THE EXPENDITURE REDUCTION PLAN**

## **INTRODUCTION**

This volume includes an agency-by-agency analysis by Legislative Fiscal Division (LFD) staff of the proposals to reduce expenditures submitted by the Office of Budget and Program Planning (OBPP) on May 24. It is intended as a working document for the Legislative Finance Committee (LFC) to assess and comment on the executive proposals for each agency. A summary discussion of the reductions is included in Volume 1.

## **STRUCTURE OF THE REPORT**

Agencies are listed in agency number order by budget section:

- 1) General Government and Transportation.
- 2) Human Services.
- 3) Natural Resources and Commerce.
- 4) Corrections and Public Safety.
- 5) Education.

Each agency narrative begins with an LFD-written “Agency Summary”, which is designed to give the committee a general picture of the types of reductions proposed and any potential impacts. The agency summary is followed by OBPP-written descriptions of each reduction. All OBPP narratives are included as written, without edit or re-write by LFD staff.

Comments by LFD staff are included in shaded boxes entitled either “LFD Comment” or “LFD Issue”. These comments are designed to do one or more of the following:

- 1) Provide clarification or enhanced explanation of the reduction.
- 2) Discuss potential impacts.
- 3) Raise issues.

In addition, LFD staff has added a shaded box at the conclusion of the narrative listing the fiscal 2003 general fund base and the percentage of the base the proposed reduction represents.

Because they are exempted from the requirements of 17-7-140, MCA, the voluntary reductions submitted by the Legislative Branch and the Judiciary are not included in this volume.

The following table summarizes the fiscal 2003 general fund base appropriation, the proposed reduction, and the percentage of base this reduction represents for each executive branch agency.

Fiscal 2003 Proposed Reductions From Base			
	2003 General Fund Base	Proposed Reduction	Percent Reduction
<u>Section A</u>			
Governor's Office	\$ 5,307,930	\$ 491,329	9.0%
Commissioner of Political Practices	361,850	16,850	4.7%
State Auditor	338,768	11,792	3.5%
Department of Transportation	0	0	N/A
Department of Revenue	29,185,604	787,688	2.7%
Department of Administration	4,504,751	429,664	9.5%
Appellate Defender	187,882	6,576	3.5%
<u>Section B</u>			
Department of Public Health & Human Services	\$ 273,103,341	\$ 9,601,759	3.5%
<u>Section C</u>			
Department of Fish, Wildlife, & Parks	\$ 281,817	\$ 24,304	8.62%
Department of Environmental Quality	4,220,797	252,691	6.0%
Department of Livestock	640,681	39,180	6.1%
Department of Natural Resources & Con	15,321,970	166,557	1.1%
Department of Agriculture	2,074,167	88,600	4.3%
Department of Commerce	2,934,055	768,297	26.2%
<u>Section D</u>			
Board of Crime Control	\$ 1,844,149	\$ 184,415	10.0%
Department of Justice	24,067,726	845,239	3.5%
Department of Corrections	100,646,388	2,297,533	2.3%
Department of Labor & Industry	2,090,264	140,193	6.7%
Department of Military Affairs	4,428,826	172,939	3.9%
<u>Section E</u>			
Office of Public Instruction	\$ 27,868,402	\$ 978,430	3.5%
Board of Public Education	178,587	17,774	10.0%
Commissioner of Higher Education	147,204,016	5,152,142	3.5%
School for the Deaf & Blind	3,653,186	295,638	8.1%
Arts Council	557,670	54,793	9.8%
Library Commission	1,913,910	97,715	5.1%
Historical Society	1,909,812	109,819	5.8%
Total	\$ 654,826,549	\$ 23,031,917	3.5%
Judiciary*	25,013,403	365,746	1.5%
Total	\$ 679,839,952	\$ 23,397,663	3.4%
* Voluntary reduction that cannot be ordered by the executive. The legislative branch totals \$ 350,000			